

CONGRESSIONAL RECORD — APPENDIX

A5099

Salary Increases for Postal and Other
Federal Employees

SPEECH
OF

HON. LEE METCALF

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 15, 1960

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 9883) to adjust the rates of basic compensation for certain officers and employees of the Federal Government, and for other purposes.

Mr. METCALF. Mr. Chairman, our Government has a tremendous responsibility today—greater than ever before. The quality of the discharge of this responsibility depends to a very great extent upon the 2,200,000 civilian employees of the Government.

There are a number of ways in which pay scales can affect the quality of the work the Government receives from its civilian employees: First, by attracting more and better qualified candidates for Government service; second, by encouraging experienced employees to remain in Government service; third, by providing incentive and increasing morale. We cannot afford today to have a demoralized civil service.

There has not always been a crisis. We have been fortunate to have employees of quality and dedication. We could have continued to underpay our employees and would still have had many who were dedicated and qualified—and only considerations of the justice of it all would have made us pay them more. But today, we are forced to consider more than justice.

We need to make Government service attractive to young people who will make it their career. Young people today are not so much interested in the things that are going to happen to them in 20 to 30 years from now as they are in the immediate present. They think not in terms of some future date, but in terms of today, in terms of present-day food and clothing and shelter, and education for their children. Unless the wage of postal and Federal employees is made and remains sufficiently attractive, the postal service and the Government generally are going to be unable to attract and, perhaps even more important, retain the best type of young people. Low pay scales force the prospective employee to choose between responsibility to his job interests or his loyalty to his Government and responsibility to the economic well-being of his family.

The "Report on Civilian Compensation in the Executive Branch of the Federal Government," compiled by the steering committee of the Interdepartmental Committee on Civilian Compensation in November 1957, stated in summary:

Personnel turnover is increasing and quality is decreasing. Many jobs remain unfilled. Quality and quantity of applicants is inadequate.

Why are we failing to attract qualified applicants? Why are dropouts increasing? The committee hearings on Fed-

eral and postal pay raise bills are full of figures indicating that pay of Government workers is lagging seriously behind rates for comparable jobs in the private sector of the economy. For example, during the period between July 1951 and November 1959, post-office clerks received wage increases averaging 38½ cents per hour, or approximately 20 percent, while production workers in manufacturing industries received wage increases averaging 70 cents per hour and in excess of 45 percent. In July of 1951, after the enactment of Public Law 204 of the 82d Congress, the entrance rate for a substitute post-office clerk was \$1.61½ per hour. This was about 1.8 cents per hour above the industrial average. By November of 1959 the entrance rate for a post-office clerk was 27.2 cents per hour short of the industrial average.

The purchasing power of many Government employees today is substantially behind that of 1939. For G-5, G-7, G-9, G-11 and G-13 employees, a percentage wage increase of from 5.2 percent to 20.3 percent would be necessary to give them the purchasing power they had before the war.

A study of pay scales for policemen and firemen in large metropolitan centers, where 40 percent of all postal employees live and work, reveals that the lowest wage in 10 of 17 cities studied was greater than the highest wage which a letter carrier or clerk can receive according to the national postal salary schedule.

The evidence presented to the Committee on Post Office and Civil Service clearly shows, according to indicators such as purchasing power and comparative wages, that our Government and postal employees are underpaid.

A pay raise for Federal employees has been criticized as a contribution to inflation. We do not know if rising wages are a cause of inflation. Even if they were, merely equalizing wages of Federal employees would not push up other wages. Those wage demands which endanger stability are not the ones which equalize, but those which are excessive and unnecessary. It is definitely not excessive and unreasonable to ask that Federal employees be paid at rates "reasonably comparable" to those in private business. The administration cites reasonable comparability as a basis for judgment of Federal wage scales. If this is so, why do they not help us to make the wages comparable?

The administration suggests that we should wait for further studies of comparability. Many of us would like to see a comprehensive plan for coupling Government and postal pay increases to increases in the rest of the economy. But we cannot wait. Should we postpone a raise in salaries, we will have increasing difficulty in finding qualified applicants for Government service, increasing numbers of resignations, and increasing demoralization. Do we have the right to say once again to our Government and postal employees: "Just wait another couple of years and keep up your good spirits. As soon as we finish all our studies of the problem

we will all agree on a comprehensive plan to provide regular salary increases. We're sorry, but we just don't know yet how to give you the salaries you deserve."

We need qualified workers in Government service. There, employees are performing functions which are crucial to the national defense, safety, economy, and welfare. Large numbers of them act in direct support of defense activities or in other equally important tasks wherein failure might adversely affect the entire Nation. Not only do we have a responsibility to our present employees, but it is necessary that we have a Government service which is efficient and up to the enormous responsibility which faces it. I would feel responsible to neither my fellow citizens who are Government workers nor to the citizens of the country who demand and deserve good government, if I did not continue to support a just rate of pay for Federal and postal employees. H.R. 9883 will go a long way toward making their salaries what they should be.

Enslavement of Peoples of Czechoslovakia

EXTENSION OF REMARKS

OF

HON. FRANK J. LAUSCHE

OF OHIO

IN THE SENATE OF THE UNITED STATES

Thursday, June 16, 1960

Mr. LAUSCHE. Mr. President, recently, I received a copy of a letter which, in my opinion, expresses the true hope of the enslaved people of Czechoslovakia that some day they may get out from under the yoke of communism.

I ask unanimous consent to have the letter printed in the Appendix of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PARMA, OHIO,
June 12, 1960.

Mr. CYRUS EATON,
Arcadia Farms,
Northfield, Ohio.

DEAR MR. EATON: In May 25, in the Cleveland Plain Dealer on page 18, you were quoted as saying in Prague, "In Cleveland, where I live, there are many people of Czechoslovak origin. They are fine people. Unfortunately there are some people in the United States who want to make them unfriendly toward Czechoslovakia."

In reading this statement—I know from experience that you are a victim of Communist propaganda. I spent 3 weeks in Czechoslovakia last summer, and the most asked questions were: Do you like Czechoslovakia? Why is there so much propaganda against Czechoslovakia in the United States?

Being of Czechoslovak descent, I presume I would be more aware of any such propaganda against Czechoslovakia in the United States. And then I would explain—that we know their circumstances—that they are under Communist rule, not necessarily by choice. The democracy that once existed in Czechoslovakia is well known history. And believe me, their hope is to some day get out from under the yoke of communism. You would tear down what good I could do as an ordinary American.

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And they know they are a satellite of Russia. You said in another statement that the "satellite" countries did not like to be called "satellites." Who did you speak to—Communist leaders—and whom else—certainly not an ordinary citizen?

Your intentions may be what you consider right—but somehow you're getting mixed up. Why don't you spend more time preserving democracy—rather than tearing it down? Just where would you be in a Communist country? And do show appreciation of freedom—for even my 8-year-old son could feel the difference between a free country and a slave state.

Sincerely,

Mrs. WILLIAM J. KALL.

The Farm Problem**EXTENSION OF REMARKS**

OF

HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 16, 1960

Mr. BERRY. Mr. Speaker, under leave to extend my remarks, I would like to insert in the Record portions of a letter I received from Chas. M. Fuller of Redelm, S. Dak. His 8-page, handwritten letter contains some of the best philosophy, best commonsense, and best judgment I have read in a long time. His letter reads in part as follows:

I have been following what has been done in Congress with the farm question. I am disturbed by the apparent support given the Pogue-McGovern bill. It has all the bad features of the present farm laws, that have not solved the surplus problem or raised farm income. It includes higher supports, more restrictions on farmers, more redtape, bigger temptations for chiseling with two wheat prices and will only make a bad mess worse.

A farm law, a labor law, or business regulating law must consider not only the people it regulates, but the taxpayers, the consumers, the Government financial position and last but not least, does it lead us toward or away from communism?

All of these controls and regulations lead us closer to communism by setting up a system all organized for a few dictators to take over and operate. With Mr. K. barking and snarling at us, I think every law and regulation affecting our economy and Government should get us back toward free enterprise and political freedom. We should not spend billions to fight communism and then set a system that they could easily operate.

I am proud to be a member of the stock-growers organizations that have opposed Government help and regulation. I would like to see the farmer take the lead and stop leaning on the Government for economic advantage and then hope that others would follow, and all be governed by supply and demand. Labor should be ready and willing then to bargain downward instead of forcing layoffs, so that farmers can buy labor's products. Then we can all compete in world markets.

Patrick Henry said, "Give me liberty or give me death." We farmers and laborers, also, are saying "Give me some dollars and you can have my liberty." I am sure that with free enterprise we would all be better off economically.

The Government is in serious financial trouble, and every bill passed by Congress should keep that in mind. Government

spending more than it takes in and giving I O U's for the difference raises prices and helps price us out of world markets. Inflation also steals from those who save for retirement. What we have been doing there is also playing into the Communists hand, and it is time we reversed the trend before it is too late.

Protest Against Small Business Administration Policy and Matters Pertaining to the American Economy

EXTENSION OF REMARKS

OF

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 9, 1960

Mr. DENT. Mr. Speaker, I know this session is about to end and adjourn sine die.

Even so, I must call to the attention of the House a serious matter and one that will effect every nook and corner of our country, our economy and our national well-being.

Recently at the request of a fellow Member of Congress, my friend and associate, FRED SANTANGELO, of New York, I had luncheon with an American small businessman.

The story he told about certain interpretations and rulings made by the Small Business Administration astounded me and caused me to do a little checking into matters that I believe should be checked by this Congress.

The case I present is only one of many that will be uncovered if a committee of this Congress will take the necessary steps to set up a proper and vigorous board of inquiry into the whole area of foreign influences and impacts upon our domestic economy.

The question herein involved is one that goes deeper than the setting aside of congressional intent and is intermeshed with the whole picture of foreign aid, trade, imports, exports, intrigue, collusion, national defense, national welfare, quotas, migration, immigration, and the complete gamut of greed, avarice, and exorbitant profits.

It spells out the serious impact upon national thinking by a new and powerful group, the foreign importers, foreign investors, and special interest groups whose influence is felt in legislative action in the many acts creating and perpetuating money lending, credit giving, concessionary granting agencies. The opening wedge covered in this case can be the pry needed to unlock the bolted doors that have kept Congress from the whole truth of deceit, profiteering, kickbacks, and other questionable practices that have been fed to the American public as an excuse for foreign relations in the better part of the past decade.

You may wonder why I bring in the whole field of trade and aid, in a simple little case involving less than \$5,000.

I do so because in this case we may find the straw that is breaking the camel's back. If an agency of Government created by the Congress for one specific

purpose can circumvent the pronounced and spelled out will of the Congress of the United States, then maybe other agencies spending millions, even billions of taxpayers' dollars can be operating in the same mistaken area of disregard not alone for Congress, but in the main, for the people of the United States.

The invitations for bidding upon Small Business Administration contracts contain the following language:

NOTICE OF SMALL BUSINESS SET-ASIDE

Bids or proposals under this procurement are solicited from small business concerns only, and this procurement is to be awarded only to one or more small business concerns. This section is based on a determination by the contracting officer, alone or in conjunction with a representative of the Small Business Administration, that it is in the interest of maintaining or mobilizing the Nation's full productive capacity, in the interests of war or national defense programs, or in the interest of assuring that a fair proportion of Government procurement is placed with small business concerns. A small business concern is a concern that (1) is not dominant in its field of operation and, with its affiliates, employs fewer than 500 employees, or (2) is certified as a small business concern by the Small Business Administration. In addition to meeting these criteria, a manufacturer or a regular dealer submitting bids or proposals in its own name must agree to furnish in the performance of the contract, supplies manufactured or produced in the United States, its territories, its possessions, or Puerto Rico, by small business concerns; provided, that this additional requirement does not apply in connection with construction or service contracts. Bids or proposals received from firms which are not small business concerns shall be considered nonresponsive.

Further, let me quote from title 13—Business Credit and Assistance—chapter 1, Small Business Administration—121.3-8—Definition of small business for Government procurement:

(a) Small business definitions. A small business concern for the purpose of Government procurement is a business concern, including its affiliates, which is independently owned and operated, is not dominant in its field of operation and can further qualify under the following criteria:

(1) General definition. Any business concern (not otherwise defined in this section) is small if: (1) Its number of employees does not exceed 500 persons; or (2) it is certified as a small business concern by the Small Business Administration.

(2) Construction industry. Any business concern in the construction industry is small if its average annual receipts for the preceding 3 fiscal years do not exceed \$5 million.

(3) Food canning and preserving industry. Any business concern in the food canning and preserving industry is small if its number of employees does not exceed 500 persons exclusive of agricultural labor as defined in subsection (k) of the Federal Unemployment Tax Act (68A Stat. 454, 26 U.S.C. (I.R.C. 1954) 3306).

(4) Petroleum refining industry. Any business concern in the petroleum refining industry is small if its number of employees does not exceed 1,000 persons and it does not have more than 30,000 barrels per day crude oil capacity from owned and leased facilities.

(d) Definition of a small business non-manufacturer. Any concern which submits a bid or offer in its own name, other than a construction or service contract, but which proposes to furnish a product not manu-